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中国建设银行

China Construction Bank

中國建設銀行股份有限公司

China Construction Bank Corporation

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 939)

Announcement on the Application for Issuance of Infrastructure Public REITs

CCB Housing, a subsidiary of the Bank, as the originator, applied for the issuance of infrastructure public REITs with its three Government-subsidised Rental Housing projects held and operated in Beijing, Shanghai and Suzhou. The three Government-subsidised Rental Housing projects are from the existing assets reactivated by CCB Housing and CCB Housing Rental Fund in a market-oriented way. CCB Housing and CCB Housing Rental Fund acquired non-residential existing properties and transformed them into Government-subsidised Rental Housing, and achieved improvement on quality and efficiency through professional operations.

Recently, the NDRC has officially accepted the application for the Project. At the same time, the Project constitutes a spin-off under PN15. The Bank has submitted the PN15 Application to the Hong Kong Stock Exchange regarding the Proposed Spin-off, and the Hong Kong Stock Exchange has confirmed that the Bank may proceed with the Proposed Spin-off. Besides, the Bank has also applied for and the Hong Kong Stock Exchange agreed to grant a waiver from strict compliance with requirements of paragraph 3(f) of PN15.

To the best of the Bank's knowledge, information and belief, the parties to the Proposed Spin-off and their ultimate beneficial owners are not connected persons of the Bank, so the Proposed Spin-off does not constitute a connected transaction of the Bank under Chapter 14A of the Hong Kong Listing Rules. As all applicable percentage ratios of the Proposed Spin-off calculated under Rule 14.07 of the Hong Kong Listing Rules are less than 5%, the Proposed Spin-off is not subject to the reporting, announcement or shareholders' approval requirements under Chapter 14 of the Hong Kong Listing Rules.

The relevant arrangements of the Project are subject to the plan reviewed and approved by regulatory authorities. The Bank will, in accordance with relevant policies and requirements, orderly promote the application for issuance and fulfil its information disclosure obligations in a timely manner.

Shareholders of the Bank and potential investors should note that the issuance of infrastructure public REITs is subject to the approval and/or registration of relevant regulatory authorities. Accordingly, there is no assurance that the issuance of infrastructure public REITs will take place or as to when it will take place. Shareholders of the Bank and potential investors are advised to exercise caution when dealing in the securities of the Bank.

I. Summary of the Project

CCB Housing, a subsidiary of the Bank, as the originator, applied for the issuance of infrastructure public REITs with its three Government-subsidised Rental Housing projects held and operated in Beijing, Shanghai and Suzhou. The three Government-subsidised Rental Housing projects are from the existing assets reactivated by CCB Housing and CCB Housing Rental Fund in a market-oriented way. CCB Housing and CCB Housing Rental Fund acquired non-residential existing properties and transformed them into Government-subsidised Rental Housing, and achieved improvement on quality and efficiency through professional operations.

The issuance of the public REITs will further enrich the initiating entities and asset types of infrastructure public REITs. It is an important exploration to promote investments from multiple entities and various channels of supply to support the development of Government-subsidised Rental Housing. It is also an important measure taken by the Bank to implement the decisions and deployments of the CPC Central Committee and the State Council of the PRC, insist on encouraging both housing rentals and purchases, and help to explore a new development model for the real estate industry.

II. Reasons for and Benefits of the Project

The issuance of the public REITs is an important part of the Bank's series of measures to implement its housing rental strategy, which helps create a housing rental asset management platform with the Bank's unique characteristics, realize a virtuous cycle of financial resources and social capital, further improve the comprehensive service system for housing finance that integrates equity investment, credit support, leasing operation and REITs issuance, continue to consolidate the Bank's characteristics and advantages in the field of housing finance, and enhance the operating efficiency, brand value and social influence.

III. Progress and Subsequent Arrangements of the Project

Recently, the NDRC has officially accepted the application for the Project. At the same time, the Project constitutes a spin-off under PN15. The Bank has submitted the PN15 Application to the Hong Kong Stock Exchange regarding the Proposed Spin-off, and the Hong Kong Stock Exchange has confirmed that the Bank may proceed with the Proposed Spin-off. Besides, the Bank has also applied for and the Hong Kong Stock Exchange agreed to grant a waiver from strict compliance with requirements of paragraph 3(f) of PN15.

To meet the requirements of the PN15 Application, the Board of Directors considered and approved the *Resolution on the Relevant Matters relating to Waiver on the Issuance of Government-subsidised Rental Housing Public REITs Owned by CCB Group* on 28 June 2023. The voting results on the resolution: there were 16 valid votes, of which 16 voted in favour of

the resolution, 0 voted against the resolution and 0 abstained from voting. Given that the relevant arrangements of the Project were still under communication and progress when the Board considered and approved the above-mentioned resolution, upon due consideration, the Bank decided to suspend the disclosure in accordance with the relevant regulatory requirements of the suspension of listed companies' information disclosure of the SSE and the *Administrative Measures for Suspension and Exemption of Information Disclosure of China Construction Bank Corporation* (《中國建設銀行股份有限公司信息披露暫緩與豁免業務管理辦法》), and had completed the internal registration and approval procedures in relation to the suspension of disclosure in accordance with relevant requirements.

To the best of the Bank's knowledge, information and belief, the parties to the Proposed Spin-off and their ultimate beneficial owners are not connected persons of the Bank, so the Proposed Spin-off does not constitute a connected transaction of the Bank under Chapter 14A of the Hong Kong Listing Rules. As all applicable percentage ratios of the Proposed Spin-off calculated under Rule 14.07 of the Hong Kong Listing Rules are less than 5%, the Proposed Spin-off is not subject to the reporting, announcement or shareholders' approval requirements under Chapter 14 of the Hong Kong Listing Rules.

The relevant arrangements of the Project are subject to the plan reviewed and approved by regulatory authorities. The Bank will, in accordance with relevant policies and requirements, orderly promote the application for issuance and fulfil its information disclosure obligations in a timely manner.

IV. Waiver from Strict Compliance with Paragraph 3(F) of PN15

Paragraph 3(f) of PN15 requires a listed issuer contemplating a spin-off to have due regard to the interests of its existing shareholders by providing them with an assured entitlement to the shares in the spun-off entity (“**assured entitlement**”), either by way of a distribution in specie of existing shares in the spun-off entity or by way of a preferred application in the offering of existing or new shares in the spun-off entity.

As advised by the PRC legal advisers of the Project, in accordance with applicable provisions of the PRC laws on the issuance of infrastructure public REITs, the infrastructure public REITs may raise funds from the investors by way of strategic placement, subscription under the placing tranche and public offering. However, the Bank is unable to provide its existing shareholders with assured entitlement through any of the above offering ways. The details are as follows: (1) in relation to strategic placement and subscription under the placing tranche, in accordance with relevant provisions of *Guidelines No. 2 of the Shanghai Stock Exchange on the Application of the Rules for Publicly Offered Infrastructure REITs - Offering Business (for Trial Implementation)* (《上海證券交易所公開募集基礎設施證券投資基金(REITs)規則適用指引第2號—發售業務(試行)》) (the “**Offering Guideline**”), a strategic investor must satisfy the following conditions: (i) be the originator of an infrastructure project, its affiliates under common control or professional institutional investors meeting the requirements set out in Article 12 of the Offering Guideline; (ii) have good market reputation and influence, possess strong financial strength, and recognize the long-term investment value of the infrastructure REITs; investors under the placing tranche must satisfy the following conditions: investors under the placing tranche shall be securities companies, fund managers, trust companies, finance companies, insurance companies and insurance asset managers, qualified foreign institutional investors, commercial banks and their wealth management subsidiaries, policy

banks, qualified private equity managers, and other professional institutional investors meeting the investor suitability requirements of the China Securities Regulatory Commission and the SSE. The National Social Security Fund, basic pension fund, and annuities, among others, can participate in the price inquiry of an infrastructure REIT in accordance with applicable rules. Therefore, at the time of the issuance of infrastructure public REITs, not all existing shareholders of the Bank are qualified for the strategic placement and subscription under the placing tranche; (2) in relation to the public offering, pursuant to the Offering Guideline, investors holding a RMB A-share account or closed-end fund account opened with the China Securities Depository and Clearing Corporation Limited Shanghai Branch or an open-end fund account opened with the China Securities Depository and Clearing Corporation Limited may subscribe for fund units as public investors. However, as all public investors shall be treated equally, public investors participating in the public offering will only be placed a fair and equal proportion of the offering fund units offered to them and there is no arrangement such as a “preferred mechanism” based on the status of shareholders. Therefore, the infrastructure public REITs are also unable to provide preferential allocations of units to certain investors.

In addition, the PRC legal advisers of the Project also advised that, in accordance with relevant provisions of the *Guidance on Public Offering of Infrastructure Securities Investment Funds (for Trial Implementation)* (《公開募集基礎設施證券投資基金指引(試行)》), the aggregate units placed to the originator of the infrastructure project or its affiliates under common control participating in strategic placement shall account for at least 20% of the offering size of the infrastructure public REITs, of which the portion equaling to 20% of the total offering size of the infrastructure public REITs shall be held for at least 60 months and the portion exceeding the 20% for at least 36 months, as of the listing date of the units. Therefore, the Bank is not able to provide its shareholders with assured entitlement by way of transfer of units of infrastructure REITs from the originator or its affiliates under common control.

After due and careful consideration of the Proposed Spin-off and the advice from the PRC legal advisers of the Project on the legal impediments in fulfilling assured entitlement requirement, the Board considers that it is not feasible for the Bank to comply with paragraph 3(f) of PN15 in connection with the Proposed Spin-off. Accordingly, after taking into account of the above situation and the reasons for and benefits of the Project as disclosed above, the Board has resolved not to provide assured entitlement to the existing shareholders of the Bank regarding the Proposed Spin-off, and considers that the Proposed Spin-off and the waiver from assured entitlement requirement in relation to the Proposed Spin-off are fair and reasonable, and in the interests of the Bank and its shareholders as a whole. The Bank has applied for and the Hong Kong Stock Exchange agreed to grant a waiver from strict compliance with requirements of paragraph 3(f) of PN15.

V. Risk Analysis

In order to ensure the orderly progress of the Project, the Bank established a project coordination and decision-making mechanism, and introduced professional institutions with professional capabilities and rich experience to ensure that the Project is carried out in compliance with laws and regulations. The Project still needs to be approved by relevant regulatory authorities, and there are certain uncertainties. Investors are kindly advised to pay attention.

Shareholders of the Bank and potential investors should note that the issuance of infrastructure public REITs is subject to the approval and/or registration of relevant regulatory authorities. Accordingly, there is no assurance that the issuance of infrastructure public REITs will take place or as to when it will take place. Shareholders of the Bank and potential investors are advised to exercise caution when dealing in the securities of the Bank.

VI. Definitions

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“A Share(s)”	domestic ordinary share(s) with a par value of RMB1.00 each in the share capital of the Bank, listed on the SSE and traded in RMB
“Bank”	China Construction Bank Corporation, a joint stock limited company duly incorporated in the PRC and the H Shares and A Shares of which are listed on the Hong Kong Stock Exchange (stock code: 939) and the SSE (stock code: 601939), respectively
“Board” or “Board of Directors”	the board of directors of the Bank
“CCB Housing”	CCB Housing Services Co., Ltd. (建信住房服務有限責任公司), a subsidiary of the Bank
“CCB Housing Rental Fund”	CCB Housing Rental Fund (Limited Partnership) (建信住房租賃基金(有限合夥)), a subsidiary of the Bank
“CPC Central Committee”	the Central Committee of the Communist Party of China
“Government-subsidised Rental Housing”	the government-subsidised rental housing
“H Share(s)”	overseas listed foreign ordinary share(s) with a par value of RMB1.00 each in the share capital of the Bank, listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented or otherwise modified from time to time)

“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“NDRC”	the National Development and Reform Commission of the PRC
“PN15”	Practice Note 15 under the Hong Kong Listing Rules
“PN15 Application”	the application for the Proposed Spin-off submitted to the Hong Kong Stock Exchange pursuant to the Practice Note 15 of the Hong Kong Listing Rules
“PRC” or “China”	the People’s Republic of China
“Proposed Spin-off” or “the Project”	CCB Housing, a subsidiary of the Bank, as the originator, applied for the issuance of infrastructure public REITs with its three Government-subsidised Rental Housing projects held and operated in Beijing, Shanghai and Suzhou
“REITs”	Real Estate Investment Trusts
“RMB”	Renminbi, the lawful currency of the PRC
“SSE”	Shanghai Stock Exchange

By order of the Board of Directors
China Construction Bank Corporation
Zhang Jinliang
Vice Chairman, Executive Director and President

13 October 2023

As at the date of this announcement, the executive directors of the Bank are Mr. Tian Guoli, Mr. Zhang Jinliang, Mr. Cui Yong and Mr. Ji Zhihong; the non-executive directors of the Bank are Ms. Shao Min, Mr. Tian Bo, Mr. Xia Yang, Ms. Liu Fang and Ms. Li Lu; and the independent non-executive directors of the Bank are Mr. Kenneth Patrick Chung, Mr. Graeme Wheeler, Mr. Michel Madelain, Mr. William Coen and Mr. Leung Kam Chung, Antony.